DATE 1/29/09

HOUSE COMMITTEE ON AGRICULTURE

House Bill 282

Testimony of Greg Ames Administrator, Agricultural Sciences Division Montana Department of Agriculture

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

Good afternoon, my name is Greg Ames. I am the Administrator of the Agricultural Science Division with the Montana Department of Agriculture. We understand the concept behind the bill and support small businesses, farmer markets, and other venues that promote "grow and buy local." The Department has some concerns with House Bill 282.

One of the department of agriculture's top priorities is to protect the health and safety of Montana agriculture. In administering the nursery program, we accomplish several objectives; consumer protection, information and awareness, and perform inspections for a vibrant and healthy nursery industry. A healthy nursery industry, in turn, protects the health of all Montana agriculture. Let me provide you with just a few examples of pest management in the nursery industry that protect agricultural interests. Many varieties of barberry, an ornamental shrub, are host to black stem rust, a serious wheat disease. Our late blight disease quarantine not only protects tomato and pepper plants but also protects the potato industry. The European Pine Shoot Moth is an invasive species that threatens our Christmas tree industry, forests, timber industry, and tourism. The European Pine Shoot Moth is widespread in Idaho and has had a severe impact on many industries in Idaho. The pest is not yet in the state of Montana.

The ability to accomplish the responsibilities and tasks associated with promoting and protecting healthy agriculture comes at a cost. License fees provide 98 percent of

the nursery program's revenue. In FY 2008, license fees generated \$104,880 in program revenue. House Bill 282 seeks to change the fee structure, resulting in a \$41,000 reduction in revenue. This represents a 39 percent negative revenue impact to the program.

It is vitally important to the department that every nursery in the state have a license. The department needs the ability to identify and contact nurseries to communicate pest risks; identify sources of pests, diseases, and contamination, conduct trace-forwards, trace-backs, and other preventative, management, and control activities associated with investigations.

We can certainly appreciate the citizen concerns brought to Representative Grinde and her effort to try to find a solution that meets those expressed needs. We do, however, have to be able to pay for the services that provide the protection that ensures the health and safety of all Montana agriculture. Any proposed change to the current fees and fee structure in the nursery program needs to be revenue neutral, having no fiscal impact.

I urge your careful consideration of the impacts of the bill. As currently proposed, the department of agriculture can not support House Bill 282.